

Position Statement – October, 2007

In support of legislation in Michigan to ease restrictions on stem cell research.

Stem cell technology has the opportunity to have a greater impact on human health than genetic technologies. Billions of research dollars are being funneled into this most promising area of healthcare research. Unfortunately, Michigan is being excluded from a major part of this research because of the restrictive laws covering embryo sourced stem cells. Our brightest scientists are being pushed from the state because this funding opportunity is not open for them. University funding is therefore being affected, as are companies such as BioFlow who is finding it difficult to source the startup funding that it needs, partially because of Michigan's stance against the research that is a significant component of our market potential.

Our bodies and their tissues are dieing all the time, some because they are just worn-out, others because they become injured or diseased. These dieing and diseased tissues are also being continually replaced. We all hope and pray that this process of cellular replacement keeps pace in our bodies. When it does not, we become vulnerable to disease and the aging process. When it does keep pace, we remain healthy.

All of these replacement cells originate as a STEM CELL. Understanding this process of how a stem cell recognizes the need to become a new red blood cell, a neuron, an insulin producing beta islet, a new kidney cell, a heart cell or respond to invading organisms is key to being able to harness this potential for treating disease and improving human health. To truly understand this process, we need to learn about the signals that tell the earliest stem cells within a fertilized egg to make a heart, a lung, a brain, muscles and all of the other specialized tissues that organize together to make us a whole and functioning human being. We also need to understand what keeps these cells and tissues in balance and to stop making brain when we have enough (if we really ever have enough brain)

and all of the other organs of the body. To fully understand this process, and what controls it, we need to be able to study embryonic stem cells, and not just those lines that were developed years ago and have been “polluted” by the primitive techniques that were used at that time.

I am not at all saying that BioFlow will focus entirely on embryonic stem cells, but that embryonic stem cells are a part of the puzzle that we need to understand before we can fully comprehend how the process of cellular replacement takes place in adults and how the natural healing process works.

Other states such as CA, MA, VA, MD, TX and others have recognized this need and have both relaxed restrictions and are providing the funding necessary to promote this research. Our university scientists in Michigan who are interested in doing research in human health are working with one hand tied behind their backs. God bless them if they are willing to stay here and work with these restrictions that handicap their ability to make significant contributions to this very important area of healthcare research. Not only are these researchers being bridled by these restrictions, but their institutions, as well, are being eliminated from consideration for the \$Billions of grant money going into this work.

BioFlow Technology, Inc. is a start-up company involved in manufacturing and marketing a bioreactor system capable of supporting the long-term culture of stem cells and maintaining their “stemness” for well over one year. The system can be used to culture, study and harvest both adult sourced and embryonic derived stem cells and their progeny.

Without a change to the existing legislation in Michigan, BioFlow may be forced into a position similar to VW and will be forced to either relocate the company to a state with less restrictive laws, or at a minimum, set-up duplicate development facilities outside the state. Both options cost the company more money and cost the state a significant number of potential jobs, at a time when neither can afford this loss. However, companies need to be physically close to their major markets. This would be a decision that the Company does not want to make, but you, the state government, need to start giving life science researchers and support industries a signal that we can have a future in Michigan. It is up to you, our representatives, to make this change.